



Senate

General Assembly

File No. 650

January Session, 2001

Substitute Senate Bill No. 1018

Senate, May 8, 2001

The Committee on Appropriations reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING A FUEL CELL PILOT PROGRAM IN PUBLIC SCHOOLS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (a) Connecticut Innovations, Incorporated, in consultation
- 2 with the Commissioner of Education, shall establish a pilot program,
- 3 with funds available from the Renewable Energy Investment Fund
- 4 created under subsection (c) of section 16-245n of the general statutes,
- 5 as amended by this act, to evaluate the use of fuel cell technology in
- 6 public schools. The program shall operate in four school districts
- 7 selected by the corporation, in consultation with the commissioner,
- 8 two of which shall be located in municipalities with a population forty
- 9 thousand or more and two of which shall be located in municipalities
- 10 with a population forty thousand or less. Two school districts shall
- 11 receive fuel cell technology and two shall not receive fuel cell
- 12 technology. The two school districts that do not receive the fuel cell
- 13 technology shall provide baseline data which shall be used to compare
- 14 the costs and benefits of fuel cell technology.

15 (b) On or before January 1, 2002, the corporation shall submit a
16 report on the pilot program to the joint standing committee of the
17 General Assembly having cognizance of matters relating to commerce
18 in accordance with the provisions of section 11-4a of the general
19 statutes. Such report shall include a cost benefit analysis of the
20 application of fuel cell technology in public schools as well as
21 recommendations for legislative implementation.

22 (c) If the report determines that fuel cell technology in public
23 schools is feasible, the school districts that did not receive fuel cell
24 technology shall be provided with fuel cell technology.

25 Sec. 2. Subsection (c) of section 16-245n of the general statutes is
26 repealed and the following is substituted in lieu thereof:

27 (c) There is hereby created a Renewable Energy Investment Fund
28 which shall be administered by Connecticut Innovations, Incorporated.
29 The fund may receive any amount required by law to be deposited
30 into the fund and may receive any federal funds as may become
31 available to the state for renewable energy investments. Connecticut
32 Innovations, Incorporated, may use any amount in said fund for
33 expenditures which promote investment in renewable energy sources
34 in accordance with a comprehensive plan developed by it to foster the
35 growth, development and commercialization of renewable energy
36 sources, related enterprises and stimulate demand for renewable
37 energy and deployment of renewable energy sources which serve end
38 use customers in this state. Such expenditures may include, but not be
39 limited to, grants, direct or equity investments, contracts or other
40 actions which support research, development, manufacture,
41 commercialization, deployment and installation of renewable energy
42 technologies, and actions which expand the expertise of individuals,
43 businesses and lending institutions with regard to renewable energy
44 technologies. The fund may be used for expenditures in implementing
45 the fuel cell pilot program in public schools established in section 1 of

46 this act.

47 Sec. 3. This act shall take effect July 1, 2001.

APP *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Cost (Special Fund)

Affected Agencies: Connecticut Innovations, Incorporated (quasi-public), Department of Education

Municipal Impact: See Explanation Below

Explanation**State and Municipal Impact:**

It is estimated that it will cost approximately \$2.4 million (based on information available from the investment managers at Connecticut Innovations, Inc. (CII)) for installation of the fuel cells to test the technology at two school districts. There is a potential additional future cost of approximately \$2.4 million for fuel cells in two more schools. The funds for the fuel cells will come from the Renewable Energy Investment Fund. This fund is administered by CII and capitalized through a charge on electric bills. The Fund has a balance of \$12.4 million as of 3/31/01. It is also anticipated that since this technology is currently more expensive than other electric generation technologies, the two school districts could incur increased costs for power generation. The exact impact is indeterminate at this time. It is anticipated that these costs would also be paid from the Renewable Energy Investment Fund, but it is not clear from the legislation. It is also anticipated that CII can prepare the report required within its resources and the Commissioner of Education is anticipated to be able to consult within budgetary resources. Baseline data is anticipated to

be able to be provided from the schools within their existing resources.

OLR BILL ANALYSIS

sSB 1018

AN ACT CONCERNING A FUEL CELL PILOT PROGRAM IN PUBLIC SCHOOLS.**SUMMARY:**

This bill requires Connecticut Innovations, Inc. (CII) to run a pilot program evaluating the costs and benefits of using fuel cell technology in public schools. CII must do this in consultation with the education commissioner and with funds available in the Renewal Energy Investment Fund. It must report its finding and legislative recommendations to the Commerce Committee by January 1, 2002.

EFFECTIVE DATE: July 1, 2001

FUEL CELL PILOT PROGRAM

CII must test the fuel cell technology in two school districts and compare the costs and benefits against two other districts using other, presumably, conventional technologies. The latter will receive fuel cell technology if the evaluation shows that it is feasible. CII must pick two districts in towns with 40,000 or fewer people and two with 40,000 or more. The bill does not specify if CII must pick a town from each category to test the technology.

BACKGROUND***Renewal Energy Investment Fund***

CII can use this fund to support research and development of renewal energy technologies and ways to manufacture, commercialize, deploy, and install them. It can also use the fund to help individuals, businesses, and lenders become more expert about the technologies. It can spend the funds in any manner, including letting contracts, making grants and loans, and making direct and equity investments.

The fund can receive money appropriated to it and federal funds allocated to the state for renewal energy investments.

CII must prepare a comprehensive plan to promote the use of renewal energy sources and use that plan to guide its investments. The plan must specify ways to foster the growth, development, and commercialization of these resources and related enterprises. It must also specify ways to increase consumer demand for them.

Legislative History

On April 11, the Senate referred this bill (File 160) to the Appropriations Committee, which favorably reported it on April 19, adding language specifying that CII must fund the pilot program with funds available from the Renewal Energy Investment Fund. The original version stated only that CII may fund the program by tapping that fund.

COMMITTEE ACTION

Commerce Committee

Joint Favorable Substitute

Yea 26 Nay 0

Appropriations Committee

Joint Favorable Substitute

Yea 51 Nay 0